315 - RE-EMPLOYMENT OF RETIREES AND FORMER EMPLOYEES POLICY

I. <u>POLICY</u>

When business needs dictate, the City of Newport News may rehire City retirees or former employees. However, the City is under no obligation to rehire or consider for rehire former City employees who are terminated for misconduct, including termination based on accumulation of disciplinary points, or who have resigned or retired from the City during the pendency of a disciplinary action.

II. REHIRING OF RETIREES

Retired employees may be rehired after a break in employment from the effective date of their retirement as set forth below. It is the intent of this policy that retirees who are rehired will be compensated in accordance with established compensation policies, and that retirees will be employed in a different capacity from the position which was held prior to retirement.

A. <u>Temporary or Part-Time Positions</u>

Retired employees shall not be rehired in a temporary or part-time position until at least thirty (30) days have elapsed from the effective date of retirement. They will be limited to working no more than twenty-nine (29) hours per week. The Director of Human Resources may waive the posting requirement for temporary or part-time positions when the department has demonstrated that it is unlikely that other applicants would possess the same degree of knowledge or specialized skill-set.

B. <u>Independent Contractors</u>

Retired employees who qualify as independent contractors in accordance with Internal Revenue Service (IRS) regulations may enter into contractual agreements for the provision of certain services to the City upon approval of the City Manager or City Council, as appropriate. Any such agreements must be processed through appropriate procurement procedures, and the actual agreements should be reviewed and approved as to form by the City Attorney's Office and the Office of Purchasing. Retired employees providing these services are considered to be self-employed and are not employees of the City of Newport News.

III. REHIRED & REINSTATED EMPLOYEES

A. Retirement Credit

Employees who were vested in NNERF prior to terminating their employment will retain credit for prior service regardless of the length of absence from City

employment so long as the employee did not elect to port his credited service to a reciprocal plan. Non-vested regular full-time employees returning from a break in service will lose retirement credits for prior service with NNERF. For non-vested employees rehired on and after March 1, 2010, the NNERF retirement credits may be eligible for purchase through VRS at the employee's expense. For previously earned VRS credit, rehired employees will need to contact the Department of Finance or the Virginia Retirement System (VRS) for further information. Regardless of the duration of one's prior employment with the City, or the length of one's break in service, all eligible, regular, full-time employees rehired on or after March 1, 2010 will be members of the VRS.

B. Break in Service of Six (6) Months or Less

Regular full-time employees rehired or reinstated after a break in service of six (6) months or less do so with no change in continuity, seniority, probationary status, or benefits eligibility. (Retirement credit is dealt with in subsection A above).

Prior City contributions that were forfeited in the Health Reimbursement Arrangement (HRA) account due to not meeting the vesting requirements will be re-deposited in the reemployed full-time employee's HRA account if the break in service was six (6) months or less. The amount forfeited in the HRA account at the time of separation will be re-deposited in the re-employed full-time employee's HRA account. Rehired and reinstated employees will retain the original employment date and any accumulated, unused paid medical leave will be reinstated. However, no benefits accrue during the period of absence, with the exception of military members covered by the Uniform Services Employment and Reemployment Rights Act (USERRA), unless the employee previously resigned from City employment.

C. Break in Service of More than Six (6) Months

An employee who is rehired after a break in service of more than six (6) months will be considered a new employee for all status and benefit purposes. (Retirement credit is dealt with in subsection A above). However, this may not apply to employees who are absent due to military service and covered by the USERRA, unless the employee previously resigned from City employment.

D. <u>Re-employment of Employees Receiving Partial Disability</u>

Please refer to Newport News City Code Chapter 31, Section 31-58, or contact the Finance Department.

IV. POLICY ENFORCEMENT

The Departments of Finance and Human Resources will be responsible for ensuring compliance with this policy. In the event of any conflict between this policy and the Newport News City Code, the City Code shall control.

The City reserves the right to add, modify, or discontinue benefits at any time, with or without notice at the discretion of the City, and such benefits do not represent a contractual obligation on the part of the City.

Supersedes/Amends: 315, 4/01/08 and 404, 4/01/08

Approved:

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